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★★★

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The Oasis

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Historic Hollywood
Hillview LLC

Alan Sieroty
Sieroty Company


Kerry Morrison
Executive Director

October 31, 2005

TO: Holly Wolcott
Office of the City Clerk

FROM: Kerry Morrison
Executive Director
Hollywood Entertainment District POA

SUBJECT: Third Quarter
July 1, 2005 to September 30, 2005


Hollywood Entertainment District
Property Owners Association
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As is required in our Agreement with the City of Los Angeles, I am submitting our Third Quarter Report to summarize key activities of the Hollywood Entertainment District. In addition, the September 30, 2005 financial statement is attached to this memo.

I. Operational Issues

- The Nominating Committee met over the course of the quarter. The committee consisted of Bob Victor, chair; Chris Bonbright and Karen Starr. Nine candidates submitted their names by the July 28 deadline for five vacancies. In August, the slate of nominees was announced to the property owners: Lynda Bybee, Nathan Korman, Alan Sieroty, Thaddeus Smith and Monica Yamada. There were no challenges to the slate, and these individuals will be formally elected at the annual meeting on November 17.
- The board accepted the resignation of Rick Beltz at their August meeting. Beltz, representing M+S Management, resigned from the board because of his relocation to New York. The Board voted at their August meeting to elect Hilary Royce of the Church of Scientology International, to fill the remainder of his term (through November 2007).
- Sarah MacPherson, Operations Coordinator, started UCLA graduate school in September. Her hours were reduced by 40 percent (and her salary accordingly). Emily Hodos was hired as a part-time professional assistant to work three days a week. The additional one day of staff overlap will result in an annual \$6,600 variance in the salary budget.

II Security

- The Security Committee asked Metro Video Systems to prepare a bid to install an additional four cameras in the BID. The BID was presented in August and amounts to \$81,000. This is already in the budget for 2005. The four locations will be: (1) Hollywood and Gower; (2) Selma and Shrader, (3) Cahuenga and Yucca, and (4) LaBrea and Hollywood.
- In addition, Metro Video was authorized to install an extension arm on the Highland camera, in order to maximize east-west visibility and to purchase DVD writers for the current system, in order to optimize recording time from about 5 minutes to >25 minutes.
- With respect to the proliferating "street character" issue outside of the Chinese and Kodak Theatres, the deputy city attorney researched licensing arrangements as are applied to images protected by comic book companies or movie studios. Also, Kerry Morrison researched ordinances which ban masks in public that have been passed in some U.S. cities. The Board asked Morrison to draft a letter to city officials requesting consideration of a ban on masks within the HED. After discussions with LAPD, Captain Sanchez and Senior Lead Officer Mike Shea thought it advisable to convene a meeting of the street characters and outline to them the various municipal and state laws that govern their behavior in the public right of way (including laws relative to selling on public property, aggressive begging, blocking the sidewalk, trespassing, etc.). A highly successful meeting was held on September 27 at Hollywood & Highland, and it has been determined that seeking cooperation amongst the characters is the appropriate first step. LAPD also plans some undercover operations to enforce the laws.
- The Board increased the hours for Burke Security add two additional hours on summer weekend evenings (scheduled from noon to 9 p.m.) and on one weekday, the shift will extend to 8 p.m., instead of the customary 7 p.m. The security schedule was reduced in mid-September, after the tourist season.
- Kerry Morrison is working with the city attorney's office, council office, mayor's office, LAPD and Parks and Recreation on solutions to the recent arrival of Food on Foot who has chosen the Selma Park/Playground as a venue for feeding 60 - 100 homeless adults every Saturday afternoon.
- The Board authorized up to \$5,000 to provide air conditioning in the HED Security office located in the CIM Building at Orange. The budget covered expenses associated with installed a drop ceiling, lights, insulation and the purchase of two portable A/C units.

III Streetscape Issues

- Work commenced by the Bureau of Street Lighting on the new street lights for the Walk of Fame. This project has been in the planning stages for over five years. The work is expected to be completed by mid-November.
- Negotiations continued on the Fan Palms West project, because after receiving bids from contractors, the cost of the project exceeded the budget by \$11,500. Sarah MacPherson worked with the contractors and Diane Scanlan, landscape design consultant, to whittle away at the costs. Once a final budget was determined, the adjacent property owners were approached to pay a proportionate share of the \$70,000 budget shortfall, based upon the front linear footage of their property. All owners, save for one, agreed to pay the extra amount. At the September board meeting, the directors authorized approval of a contract with PCL Constructors, in the amount of \$257,125, for construction and project management-related services for the Fan Palms West Project. The project is slated to start in mid-November.
- The HED re-affirmed its request to the city, through the council office, to participate in the Viacom-Decaux street furniture program, with a particular emphasis on securing public toilets in the District.
- Morrison has participated in two meetings relative to maintenance issues associated with the Walk of Fame. Of particular concern is the state of the terazzo in front of the Hollywood & Highland complex. The committee has decided that it would be appropriate to bring in an independent terazzo expert to evaluate what might be causing the terrazzo failures, and also to opine on the overall capital maintenance needs of the entire Walk of Fame.

IV Marketing Issues

- In preparation for the Urban Land Institute conference scheduled for November in Los Angeles, the HED Board authorized \$1,500 in funds toward a Team Hollywood booth that represents a joint effort of the BID, the Chamber, and the CRA.
- The HED launched its "Hollywood LIVE 24/7" campaign on July 14, in conjunction with the grand opening of the Hillview Apartments. In preparation for this event, a short video was produced which shows a "weekend in the life" of a young couple who lives in a Hollywood loft. This video was paid for by several developers, who will also be able to use it now for their marketing efforts.
- During this time, a radio ad that promotes Hollywood 90028 as a hip residential neighborhood ran on KCRW.

V. OTHER

- The CA BID Coalition proceeded to meet in Palm Springs on September 28, despite the fact that two bills under scrutiny – SB 351 and AB 1335 – were made into two-year bills. In Palm Springs, the coalition formalized its role in addressing state legislation that affects business improvement districts and agreed to work on a position paper on BID policy to guide its future activities. Nearly \$15,000 was raised from over 12 BIDs this year to pay for a lobbyist and legal assistance in addressing SB 351 and AB 1335.
- A certified letter was sent by Kerry Morrison, after sharing a draft with the Board at their August meeting, to the family members representing the Luros Trust, owners of the property at 6315 Hollywood Boulevard. The letter went to the Honorable Michael Luros and Dr. Richard Luros – requesting a meeting to talk about the work of the BID, and the changing nature of the neighborhood around their property. A letter was received from the Luros' attorney asking that no direct communications be forwarded to the doctor or the judge, but rather be directed to City National Bank, which manages the trust.
- The HED hosted the LA BID Consortium at the Hollywood Police station on July 27. This allowed for a video camera demonstration for all the executive directors of LA area BIDs.
- On July 29, Morrison was asked to guide a bus-tour of Hollywood by the LA Business Journal. It was organized for its reporters to better understand current issues in Hollywood.
- Over the course of the quarter, Morrison met with stakeholders along Melrose Avenue, Fairfax, and Pico regarding the benefits of forming a business improvement district.
- Morrison received two awards during this quarter: the 2005 Crime Prevention Community Partner of the Year Award from the Department of Justice and a community leadership award from the State Attorney General.